

The National Grange

Of the Order of Patrons of Husbandry

Building Communities



June 7, 2007

Chairman Kevin Martin
Commissioner Michael Copps
Commissioner Deborah Taylor Tate
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Commissioner Jonathan Adelstein
Commissioner Robert McDowell

Re: WC Docket No. 07-52

Dear FCC Chairman & Commissioners:

The National Grange is the nation's oldest agricultural organization, with grassroots chapters located in 2800 local communities in 37 states. Founded in 1867, the Grange today provides political representation for rural areas on issues such as economic development, education, and legislation designed to assure a strong and viable Rural America. Currently, our organization is working to ensure telecommunications access to rural America. Universal and affordable broadband technology is critical to ensuring economic prosperity to rural regions of the country.

The National Grange strongly believes that continued investments in high speed Internet infrastructure are imperative to enable rural Americans to enjoy the same broadband opportunities as their fellow citizens in urban areas. In the spirit of the highly successful national policy goal of assuring that all Americans have access to basic telephone service, the National Grange strongly urges the FCC to set a similar national goal to enact policies that will propel innovation and private investment in rural broadband capacity, and that will enable our country to quickly deliver fast, reliable and affordable broadband service throughout rural America.

The challenge of delivering reliable broadband and the need for continuing investment in rural communities is being compounded by the growing bandwidth demands created by a host of valuable and innovative new services that are just beginning to emerge. In addition to high-end video services, distance learning and related on-line educational content, and telemedicine applications are beginning to deliver life-enhancing services to communities that because of their small size or remote locations have often been bypassed by advanced technology. Because of these new services, citizens of rural America will be among the greatest beneficiaries of ubiquitous broadband deployment—providing we adopt public policies that accurately identify underserved rural areas and that accelerate deployment of broadband infrastructure to these communities.

The National Grange is pleased to note that the broadband gap between urban and rural communities has narrowed in recent years, but we are concerned that proposals for so-called “net neutrality” regulation of the internet may halt or reverse that progress.

By raising the costs of network infrastructure, the National Grange believes that net neutrality will either limit the ability of network operators to expand their networks to meet the growing demand for bandwidth, raise the cost of network expansion, or both. If that happens, high-cost areas in rural America will suffer disproportionately and many rural residents may be priced out of broadband services. For example, a recent study by the Phoenix Center for Advanced Legal and Economic Public Policy Studies found that net neutrality mandates would have six times the cost impact on deployment in high-cost rural markets as in low-cost urban markets. As the Phoenix Center explained: *“Increasing the costs of building or operating a broadband network by a regulatory mandate unquestionably will result in lower broadband network construction across the board. But our analysis shows that this decline in construction will not be evenly spread across the country as a whole—in fact, deployment in high-cost areas will be harmed disproportionately by any such cost-increasing mandate.”*¹

Further, we are concerned that net neutrality mandates will prevent network operators from meeting the specific technical needs of valuable services such as telemedicine services that can bring high quality medical care to underserved rural communities. We strongly oppose any net neutrality regulations that would preclude service quality guarantees for critical services like telemedicine. Many telemedicine services, especially real time consultations and the transmission of medical images, depend on smooth transmission without jitter or delay. Even the slightest disruption can undermine such services. We are concerned that net neutrality rules that require identical treatment for every packet transmitted via the Internet would make it impossible to ensure smooth function of these vital services.

Perhaps more fundamentally, the National Grange is at a loss to understand how net neutrality, in any way, would support the overriding national goal of universal broadband deployment or would address the need to improve network infrastructure to handle the growing capacity needs of new applications and higher Internet usage.

The National Grange strongly believes that consumers should continue to have unfettered access to web sites of their choice and that network operators should not block or degrade legal Internet services. In this regard, we encourage the FCC to aggressively enforce its existing consumer protection principles in this area and to practice vigilance against abusive conduct that harms consumers. But to date, we are not aware of any instances in which network operators have limited access to Web sites or degraded consumers’ Internet experience. Therefore, we do not see any compelling reason to run the risks created by the one-size-fits all net neutrality proposals to address abstract and theoretical problems.

The National Grange firmly believes that to the extent net neutrality imposes higher costs for network expansion or limits the ability of network operators to recoup on their investment, the high-cost markets of rural communities will be the first consumers to suffer. No matter how benign the intentions of net neutrality advocates, the reality is that aggressive net neutrality regulation will impede deployment of broadband services in rural America.

¹ Phoenix Center for Advanced Legal and Economic Public Policy Studies, “The Burden of Network Neutrality Mandates on Rural Broadband Deployment,” July 2006, <http://phoenix-center.org/pcpp/PCPP25Final.pdf>

In summary, the National Grange strongly urges the FCC to establish a national goal of assuring that all Americans, including Americans who live in farming and rural communities, have timely access to high speed Internet services of comparable quality, cost, reliability and speed.

However, we are concerned that the debate over net neutrality is diverting America from our national goal of universal broadband deployment. Network neutrality threatens to slow investment in network infrastructure and interfere with the deployment of broadband in rural America and other high-cost areas. The National Grange, therefore, urges the Commission to reject new net neutrality regulation and, instead, pursue policies that are likely to stimulate new investment and expand the availability of broadband services in rural America.

Again, the National Grange applauds the FCC's inquiry into this issue. We appreciate your consideration of our views on this important subject and we ask you to consider the implications that net neutrality would have on rural Americans. What's needed is policies that close the Internet divide between rural and urban America. We fear that net neutrality will do the opposite.

Sincerely,

A handwritten signature in dark ink, appearing to read "Leroy Watson", written over the word "Sincerely,".

Leroy Watson, Legislative Director
National Grange of the Order of Patrons of Husbandry